

WASHINGTON – Congressman Spencer Bachus (AL-6), Chairman of the House Financial Services Committee, made the following statement today during a Full Committee hearing with Treasury Secretary Tim Geithner on the first report of the Financial Stability Oversight Council (FSOC).

*To view an excerpt from Congressman Bachus statement at today's hearing, [click here](#).*

**"Mr. Secretary, this morning you were quoted as saying that 'the biggest risk we face is financial institutions not taking enough risk.' Secretary Geithner, with all due respect, I'm not sure that you have a clear picture of reality as it relates to not only the thousands of pages of restricting regulations that have been imposed on financial institutions, but also the daily drumbeat of the FDIC and other agencies directing the banks NOT to take risks. If you want a dose of reality, sit in my office or the office of almost every member of this committee and listen to the stories related by Main Street bankers. Who do you think has the responsibility to provide the leadership to change this? Isn't it the regulators -- the regulators who are all part of the FSOC? If those regulators who make up FSOC want to consider who is creating systemic risk, they need to look in the mirror. If in fact you are correct and banks are not taking enough risks, I would submit to you the problem doesn't lie with the loan officers in the community and regional banks; it lies in the regulatory approach of the very members of the FSOC.**

**"We've all been saddened by the news of Steve Jobs's death. His life should remind all of us that it is entrepreneurship and private sector innovation that creates jobs. He worked to make his company the most profitable it could be, and by doing so he enriched the lives of people around the world through his company's innovative products. Without those profits, Steve Jobs could not have made Pixar a success, could not have vastly improved the cell phone, the iPod or the tablet computer. That is why many of us were disturbed to hear President Obama questioning whether businesses have a right to earn a profit. Mr. Secretary, I hope you do not agree with the President on this point. There is a very real and palpable concern among many Americans that the increasing size and cost of government, and especially the expansion of the regulatory state, makes it harder for the next Steve Jobs to come along – that more and more regulations stifle innovation and productivity. Many of us on this Committee have expressed the same concern to you. Mr. Secretary, more regulations from Washington and higher taxes do not encourage risk-taking, business development and growth."**

Another successful entrepreneur, Charles Schwab, said recently about our economic problems: "We cannot spend our way out of this. We cannot tax our way out of this. We cannot artificially stimulate our way out of this. We cannot regulate our way out of this...What we can do – and absolutely must – is knock down all hurdles that create disincentives for investment in business.'

"Mr. Secretary, I agree with this statement. I hope you do, and I thank you for being here, and I look forward to the discussion we will be having today.

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